


Town of Trumbull, CT

Analysis of the Impact of the Town's Proposed Capital Projects

Presented by:
The Capital Improvement Planning Committee

January 2007

Objective

-  To evaluate the impact of debt issuance for the Town's capital needs on the Town's budget, taxpayers and credit rating.

Assumptions for Analysis

- ◆ All Projects in CIP and projects currently authorized are included in the bond issues listed below:

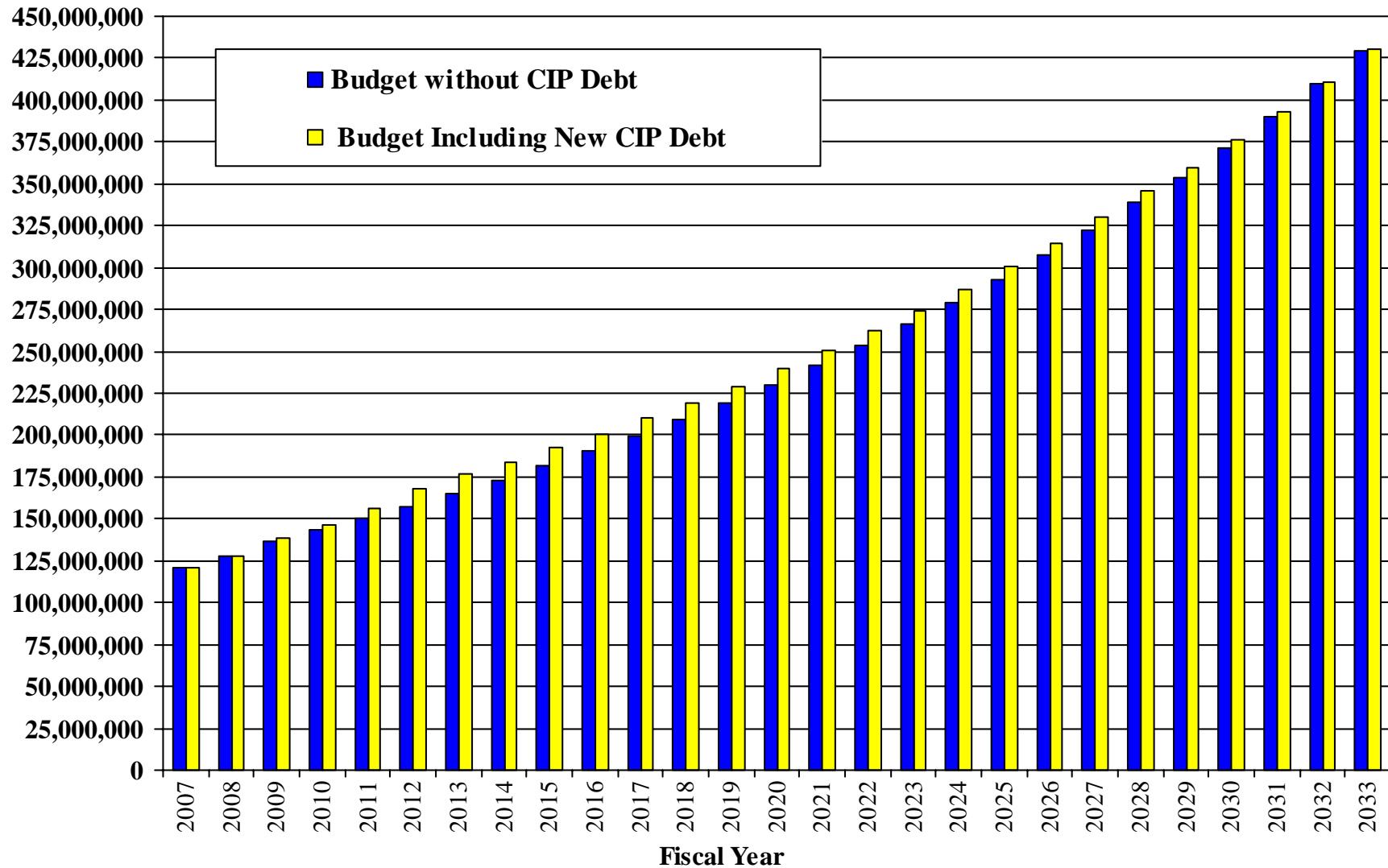
Bond Date	Size	Rate	Purpose
September 1, 2007	35,000,000	4.75%	Notes + Auth/Unissued
September 1, 2007	14,980,000	4.75%	2007 CIP
September 1, 2008	13,320,000	5.00%	2008 CIP
September 1, 2009	27,520,000	5.50%	2009 CIP
September 1, 2010	44,820,000	5.50%	2010 CIP
September 1, 2011	18,960,000	5.50%	2011 CIP
September 1, 2012	1,730,000	5.50%	2012 CIP
TOTAL	156,330,000		

	Start (FY 2007)	Growth Rate
Grand List (10-1-05)	4,986,689,087	1.50%
Budget	120,882,087	5.00%

Debt Schedules

Annual Budget

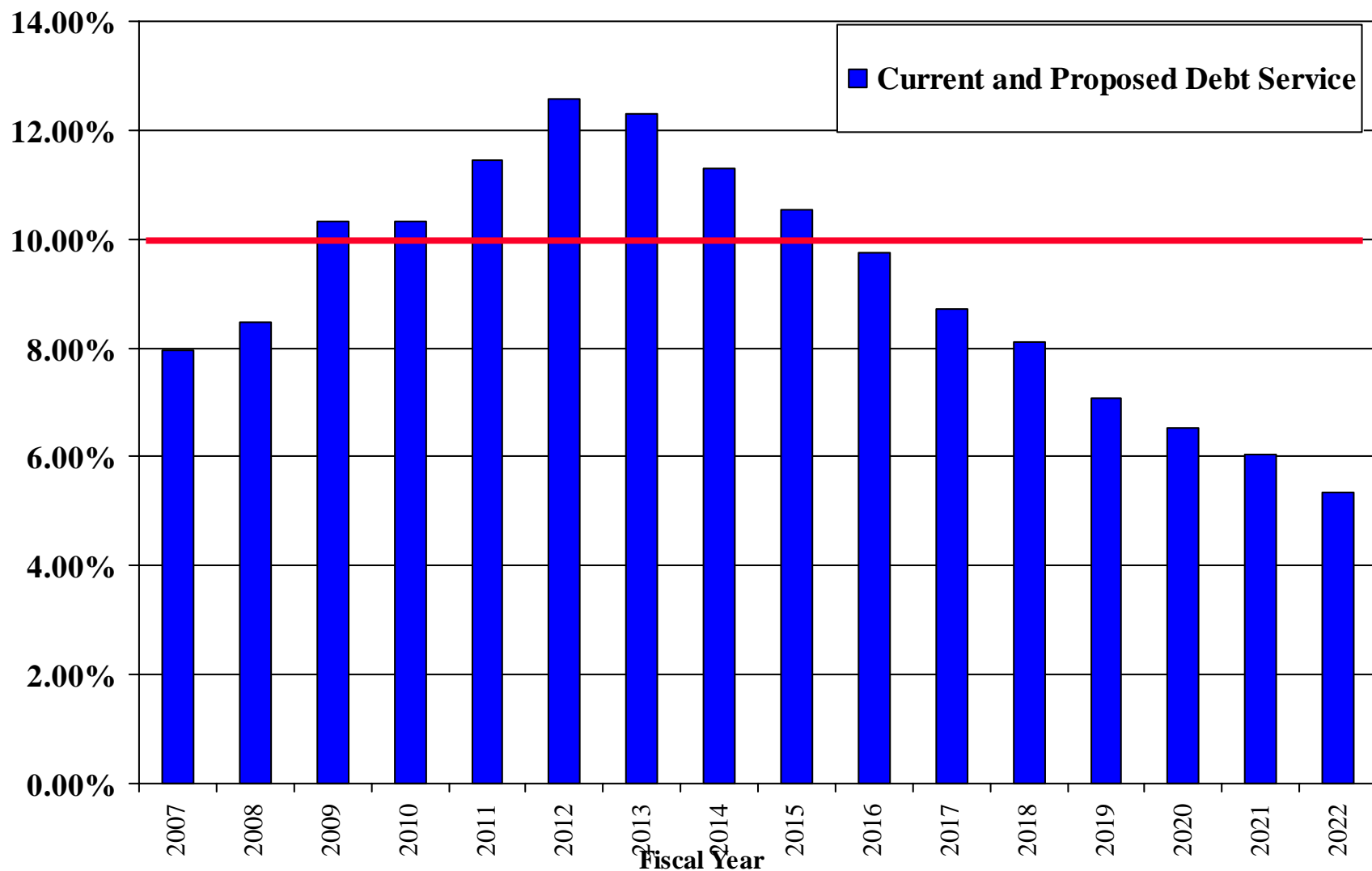
(5% Annual Growth Rate)



Note: Debt Service figures are estimates and subject to change based on market conditions.

CIP Committee

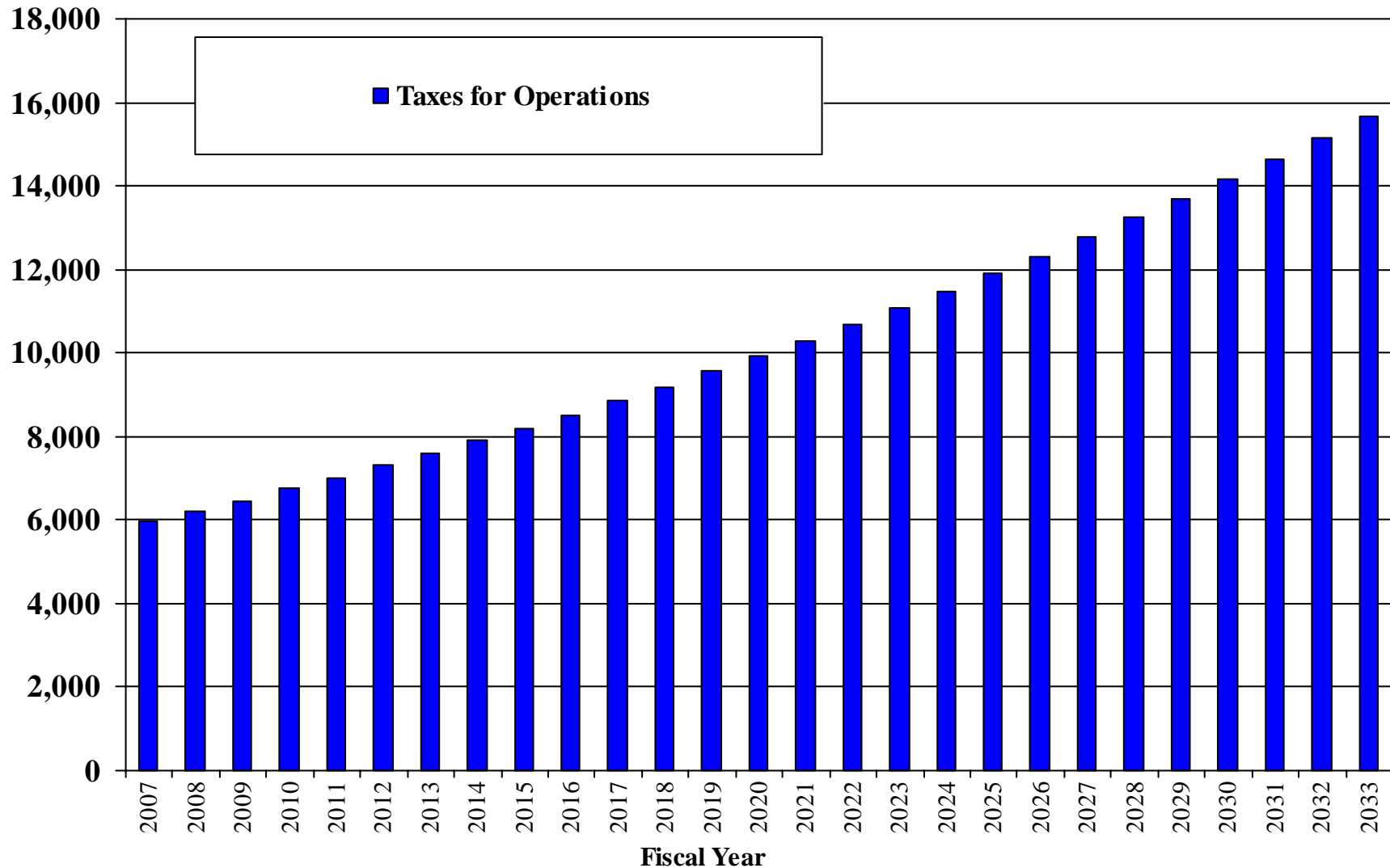
Net Debt Service as a % of the Budget



Note: Debt Service figures are estimates and subject to change based on market conditions.

CIP Committee

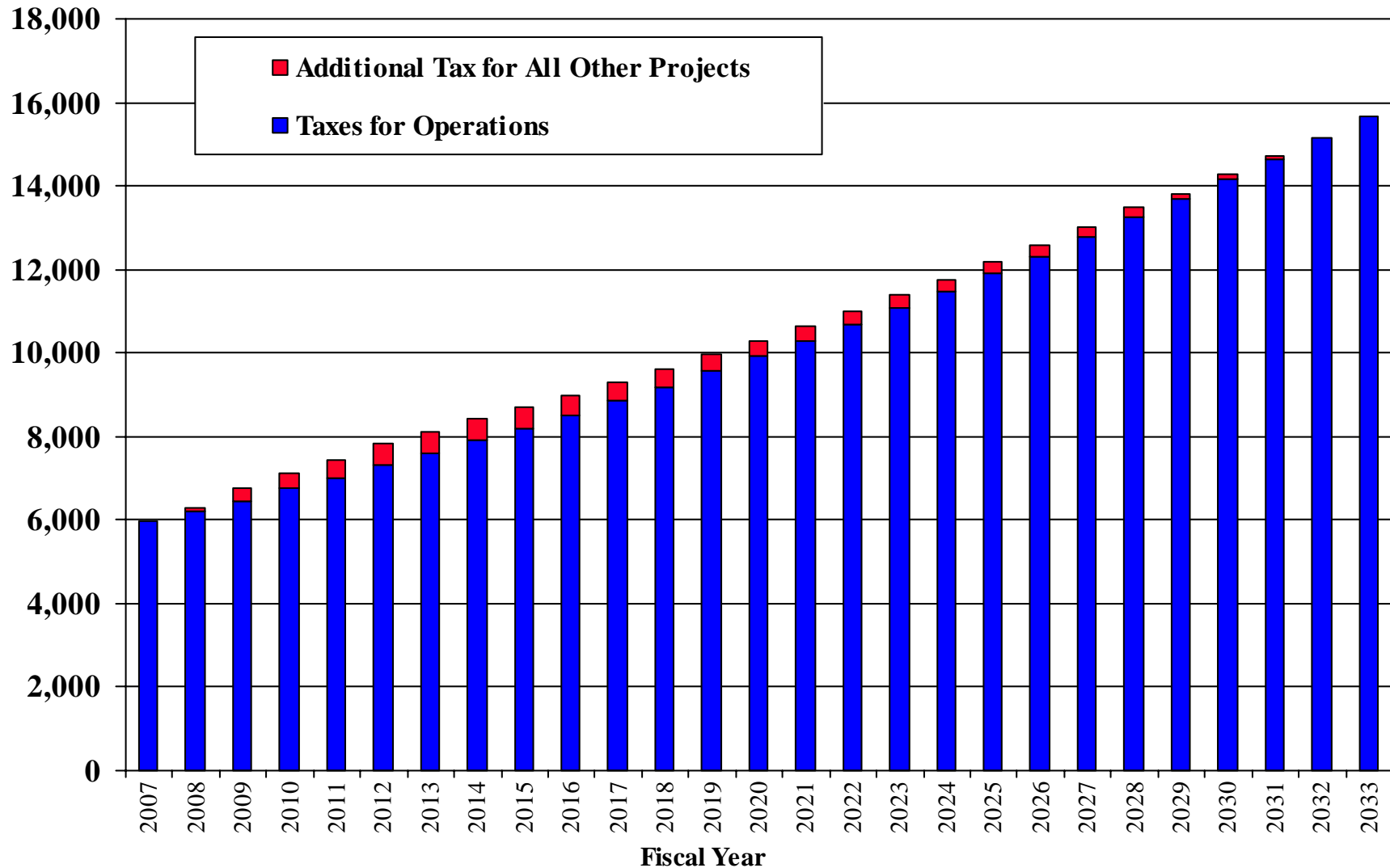
Projected Taxes per \$300,000 Assessment



Note: Debt Service figures are estimates and subject to change based on market conditions.

CIP Committee

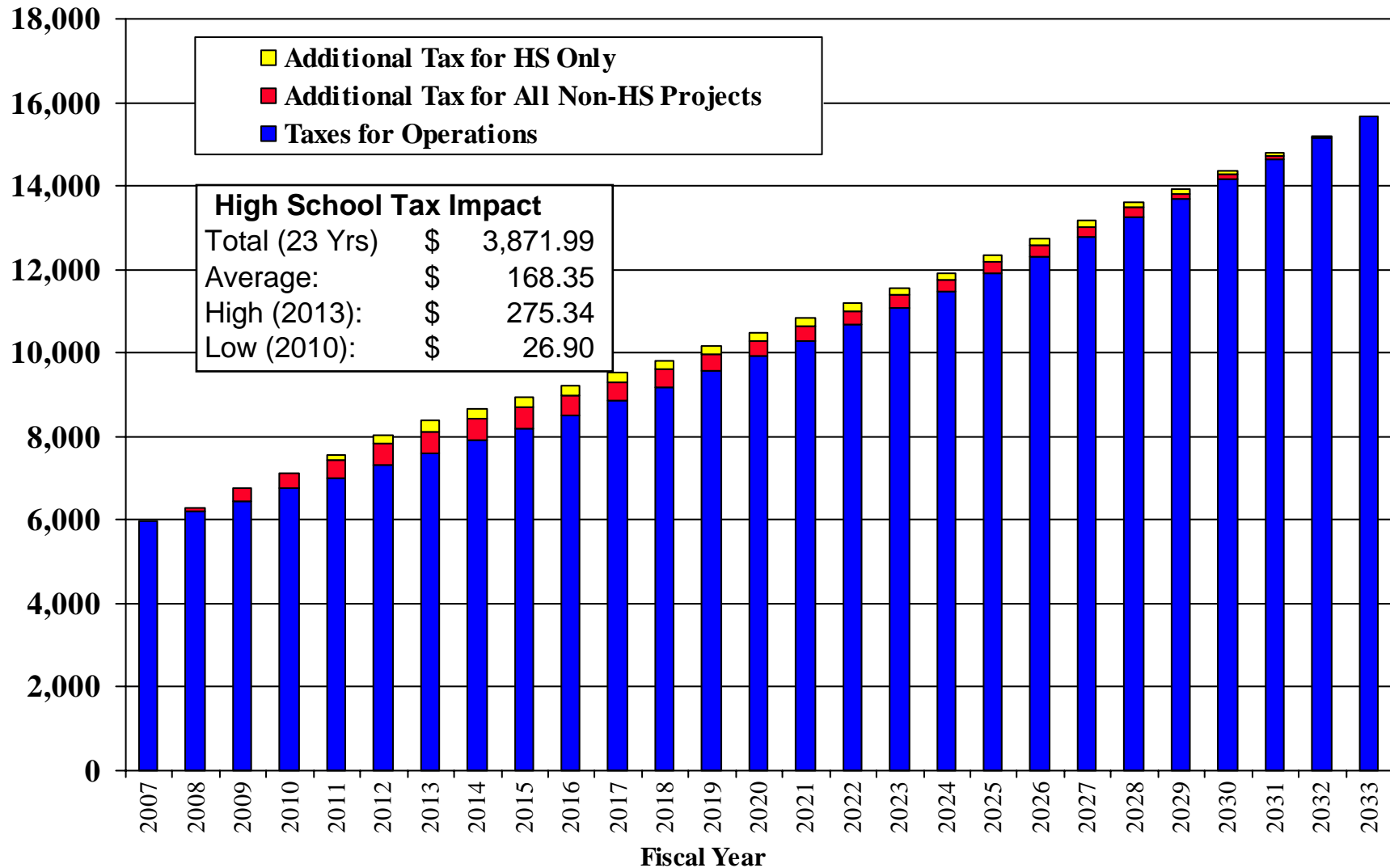
Projected Taxes per \$300,000 Assessment



Note: Debt Service figures are estimates and subject to change based on market conditions.

CIP Committee

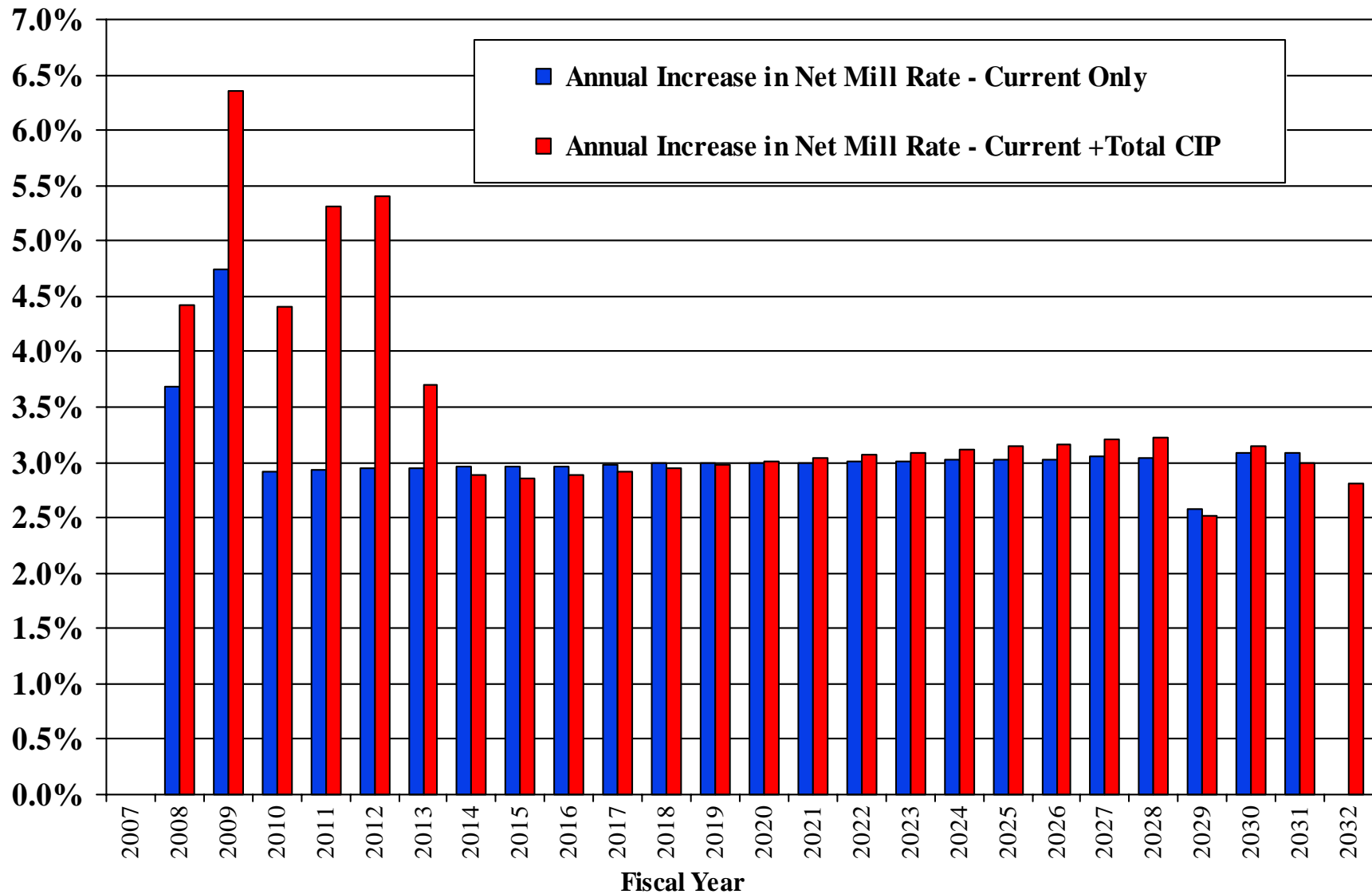
Projected Taxes per \$300,000 Assessment



Note: Debt Service figures are estimates and subject to change based on market conditions.

CIP Committee

Incremental Mill Rate Increase



Note: Debt Service figures are estimates and subject to change based on market conditions.

CIP Committee

Summary

- ◆ A rolling 5 year capital spending plan should be part of the annual budget process
- ◆ If coupled with a long term operating forecast, it provides better vision and fiscal planning
- ◆ We are leaving you a tool should you decide to accept our recommendations
- ◆ The CIP did not evaluate any of the capital spending requests as this was not our charter and thus, has not made any value judgments on capital spending
- ◆ Our Financial Advisor believes overall impacts to the Town's debt ratios should not by itself have a negative impact on it's strong credit rating (Aa2).